



March 23, 2010

**SUBJECT: Amendment of Outside Counsel Agreement for Employment
Litigation Services and Advice****REPORT IN BRIEF**

Approval is requested for a First Amendment to a contract with the law firm of Renne Sloan Holtzman & Sakai, LLP, to assist the Office of the City Attorney by providing employment-related advice, defense of employment litigation matters and related assignments. The current contract began in 2009 and provides for fees not to exceed \$75,000. This first amendment is required to reflect the fact that the City is currently defending a complex employment case, which has required substantial legal work to date and will continue to require substantial additional work and trial preparation.

BACKGROUND

Nikki Hall & Timothy Yeung, specialists in the areas of employment law and labor issues and partners in the law firm of Renne Sloan Holtzman & Sakai, LLP, were retained by the City Attorney under Section 908 of the City Charter to represent the City and provide employment-related advice, defense of employment litigation matters and related assignments.

The City's current contract with Renne Sloan Holtzman & Sakai, LLP commenced on March 30, 2009 and has a limit of \$75,000. Renne Sloan Holtzman & Sakai, LLP is the City's outside counsel in complex employment discrimination litigation. A current litigation matter has involved significant deposition and discovery work, and further motions and trial preparation will be required. Since it is anticipated that the work on this pending matter will continue for some time, an increase in the contract maximum amount is required to accommodate the required additional work and representation.

DISCUSSION

Due to current and future complex employment litigation, the City will continue to require the specialized legal services of Renne Sloan Holtzman & Sakai, LLP in the area of employment law. The City Attorney finds the billing rate for this firm to be very competitive with other legal firms providing similar specialized services and that the work performed to date has been efficient and demonstrated good cost control. Unfortunately, the City can not control when litigation is filed against it and must respond and defend the litigation to protect the City's interests.

**Amendment of Outside Counsel Agreement for
Litigation Advice and Services**

March 23, 2010

Page 2 of 2

FISCAL IMPACT

Funds are available in the budgeted 09-10 and 10-11 City Attorney operating budget, and are anticipated to be budgeted in future operating budgets.

PUBLIC CONTACT

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall, at the Sunnyvale Senior Center, Community Center and Department of Public Safety; and by making the agenda and report available at the Sunnyvale Public Library, the Office of the City Clerk and on the City's Web site.

ALTERNATIVES

1. Approve a First Amendment to increase the contract with the law firm of Renne Sloan Holtzman & Sakai, LLP in an amount not to exceed a total of \$200,000.
2. Do not approve a first amendment to the contract with Renne Sloan Holtzman & Sakai, LLP.

RECOMMENDATION

Alternative 1, Council approve a First Amendment to the Outside Counsel Services Agreement with Renne Sloan Holtzman & Sakai, LLP for legal services in an amount not to exceed a total of \$200,000.

Prepared and reviewed by:



David E. Kahn, City Attorney
City Attorney's Office

Attachments:

Attachment A – First Amendment to Outside Counsel Agreement

**FIRST AMENDMENT TO
OUTSIDE COUNSEL SERVICES AGREEMENT
BETWEEN THE CITY OF SUNNYVALE AND
RENNE SLOAN HOLTZMAN & SAKAI, LLP**

THE OUTSIDE COUNSEL SERVICES AGREEMENT commencing March 30, 2009, by and between the CITY OF SUNNYVALE, a municipal corporation ("City") and RENNE SLOAN HOLTZMAN & SAKAI, LLP ("Outside Counsel") for the purpose of providing employment-related advice and defense of employment litigation matters and related tasks as requested, is hereby amended, effective March 5, 2010, as to Section 3.0, as follows:

1. Section 3.0 is hereby amended to read as follows:

3.0 COMPENSATION, REIMBURSEMENT AND METHOD OF PAYMENTS.

3.1 Compensation. Fees for all legal services provided hereunder shall be charged in accordance with Exhibit "A" which is attached and incorporated by reference. Exhibit "A" may be amended, from time to time, to alter fees and charges applicable hereto provided that a letter agreement is duly signed and approved by the City Attorney. The total amount of fees and expenses shall not exceed \$200,000.00.

2. Except as amended above, all other terms and conditions of the Agreement commencing March 30, 2009, shall remain in effect.

IN WITNESS WHEREOF, City and Outside Counsel have executed this First Amendment to Outside Counsel Agreement.

Dated: March __, 2010

Dated: March __, 2010

CITY OF SUNNYVALE
A Municipal Corporation

RENNE SLOAN HOLTZMAN & SAKAI,
LLP

By _____
David E. Kahn, City Attorney

By _____
Nikki Hall, Partner

EXHIBIT A

RATE SCHEDULE

HOURLY RATES FOR LEGAL PERSONNEL

Partners:	\$275 to \$340
Associates:	\$150 to \$270
Law Clerks:	\$135
Paralegals:	\$95 to \$125
Consultants:	\$150 to \$225